Emirates and the Czech Republic

Emirates commenced daily passenger flights to Prague in the Czech Republic in July 2010. Since May 2016 we have operated an Airbus A380 aircraft on the route to cater for the strong demand - becoming the first and only operator of the world’s largest passenger aircraft in the Czech Republic.

Since 2010, Emirates has carried more than 1.6 million passengers between Dubai and Prague. In 2016-17, over 288,000 passengers travelled on Emirates services on the route, an increase of 56% over the last five years.

Emirates also transported over 9,000 tonnes of high-value cargo on its Prague flights in 2016-17. The cargo consisted of items including mobile phones, aircraft parts, aircraft engine parts, medical equipment and vehicles to fast growing markets such as Bangkok, Shanghai, Hong Kong, Singapore, Dhaka, Chennai and Johannesburg.

Emirates helps to link Prague with emerging markets that will further drive economic growth, trade and job creation – including 14 points in the Middle East, 22 points in Africa and 50 points in the Asia Pacific.

Emirates’ economic impact in the Czech Republic

Emirates annually contributes over €63 million to the economy via purchases of products and services, thus supporting Czech businesses.

A 2015 study by Frontier Economics also found that Emirates’ services to the Czech Republic had a GDP impact of €98 million and supported more than 3,240 direct, indirect and induced (DII) jobs in 2013-14. This number not only takes Emirates’ staff into account, but also the supply chain employment such as ground-handling or catering jobs, and induced employment through the economic activity generated by those direct and indirect employees.
Czech Republic – UAE trade relations

In 2016, total non-oil trade between the UAE and the Czech Republic reached a value of €770 million, with exports from the Czech Republic accounting for 93% of total trade.

In April 2015, the Czech-UAE Business Forum organised a trade mission to the Czech Republic during which the Dubai Chamber of Commerce and Industry announced the establishment of the Czech Business Council, which will promote joint economic relations between the business communities of Dubai and the Czech Republic. The establishment of the Czech Business Council is considered an advanced step towards opening the doors to Central and Eastern European markets for Dubai companies’ investments, whilst also helping Czech companies in Dubai to achieve their common goals and to reach out to the lucrative markets in the region and beyond.

Connectivity and tourism

Connectivity plays an important role in enabling tourism, international business relationships, Foreign Direct Investment (FDI) and trade. In Europe, connectivity is mainly provided by a few large hub airports such as Frankfurt and Paris, as a result of which intercontinental connections from other cities in Europe often require an additional stopover. This creates a connectivity gap. Emirates helps bridge that gap by serving more non-hub centres, such as Prague, through its global network.

Emirates’ operations to Prague have also stimulated the market to the benefit of other airlines. In 2015/16, the overall market for ‘destination Prague’ saw a 12% year on year growth in worldwide agency ticket sales, with Emirates recording 14% growth. According to the Czech Statistical Office, in 2016, the number of tourists that visited the Czech Republic from the UAE grew by 45% to 23,830 and resulted in 72,061 overnight stays, a growth of 34% over 2015.

Open Skies for a stronger Europe

International aviation competition is currently high on the European Union agenda. Opening markets with main trading partners is an urgent necessity if the EU is to bridge its connectivity gap with the rest of the world. Liberalised aviation markets create new routes for people to travel, work and goods to be exchanged. It is not surprising that key representative bodies, including Airports Council International (ACI) Europe) with five airlines among its members and the European Travel Commission, supported by CzechTourism, recently called on policy-makers to prioritise free aviation market access, including with Gulf countries. Some European legacy carriers in France and Germany disagree with this. But why should valuable direct international air links, which are so important for business and tourism, be limited to a few European airlines and a few European hubs with higher ticket prices, longer travel times and passenger inconvenience as consequences?

About Emirates

Emirates was established in 1985 and since then, growth has been measured in line with market demand. With 269 aircraft in service today, Emirates operates a global network of over 150 destinations in 84 countries, independently of the three traditional alliances. Emirates has launched passenger services to three new destinations in 2017 – Newark in the US, Phnom Penh in Cambodia and Zagreb in Croatia.

Myth vs. Fact: Setting the record straight

Some of our competitors claim that Emirates competes unfairly or negatively impacts the aviation market. Such misconceptions, when repeated often enough, can ultimately be accepted as fact. Below we aim to address some of these allegations levied against Emirates.

Myth: Emirates is heavily subsidised by the Dubai Government.
Fact: Emirates is a consumer-focused, commercial airline, operating a financially transparent and non-subsidised business model. Our funds are raised on a fully commercial basis through a wide range of sources including operating leases, commercial asset-backed debt and equity from investors. Our financial accounts are audited by PricewaterhouseCoopers in full compliance with International Financial Reporting Standards, and are publicly available at http://www.emirates.com/english/about/investor_relations/investor_relations.aspx and have been since 1993-94. Emirates has been profitable for the last 29 years and rather than receive subsidies as erroneously alleged, Emirates has in fact paid its state shareholder over US$3.9 billion in dividends up to and including its 2016-17 financial year.

Myth: Emirates receives free fuel and does not pay to use infrastructure in Dubai.
Fact: In the 2016-17 financial year, Emirates’ fuel costs totalled US$5.7 billion and comprised 25% of operating costs, wholly comparable with other large long-haul carriers. Shell, one of Emirates’ main fuel suppliers in Dubai and abroad, recently confirmed that it does not give Emirates preferential treatment. Emirates also pays the full published landing charges at Dubai International Airport – as do the 100 other airlines that fly to and from this airport. Similarly, Emirates pays the same airport handling fees to the ground-handling agent as would a similar high volume airline customer.

Myth: The social conditions in which some of Emirates’ employees work are unacceptable.
Fact: As a responsible multinational company, Emirates complies with the labour laws in each of the countries that we operate in. To attract and retain top talent Emirates offers competitive salaries and benefits. Emirates currently employs over 64,000 staff of over 170 nationalities worldwide. Emirates’ status as an excellent employer is shown by its high staff retention rates with more than 15,000 staff having worked for the company for 10 years or longer, of which 3,000 have worked for over 20 years.

Please visit our website to read more on “Airlines and Subsidy: Our position”